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VIA FEDERAL EXPRESS

August 11, 1999

Magalie Roman Salas, Esq., Secretary
Federal Communications Commission
445 Twelfth Street, SW Room TWA-325
Washington, DC 20554



Personal
Communications
Industry
Association

RE: *In Re Conditions Proposed by SBC Communications Inc. And Ameritech Corporation for Their Pending Application to Transfer Control (CC Docket No. 98-41)*

Dear Ms. Salas:

On August 11, 1999, Angela Giancarlo, director, federal regulatory affairs for the Personal Communications Industry Association ("PCIA") together with Judith St. Ledger-Roty of Kelley Drye & Warren, representing Paging Network Inc., met with Bill Dever and Tom Krattenmaker of the Common Carrier Bureau.

I enclose for the record a copy of a written *ex parte* presentation issued to Messrs. Dever and Krattenmaker at today's meeting. The presentation addresses issues related to the above-referenced proceeding and represents the substance of our discussion.

Pursuant to §1.1206(b) of the Commission's rules, two copies of this letter and presentation for the referenced docket are hereby filed with the Secretary's office. Please refer questions in connection with this matter to me at 703-535-7487.

Respectfully submitted,

Angela E. Giancarlo, Esq.
Director, Federal Regulatory Affairs

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**PRESENTATION OF THE PERSONAL COMMUNICATIONS INDUSTRY ASSOCIATION
TO THE COMMON CARRIER BUREAU
REGARDING THE SBC-AMERITECH MERGER
AUGUST 11, 1999**



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LEGAL ISSUE: Commission scrutiny into the propriety of the proposed merger is governed by whether the new entity will follow the precepts of the 1996 Act and accompanying FCC regulations. The Commission's role is to determine that the transfer is in the public interest and will not interfere with the objectives of the Act. Because SBC is interfering with the objectives of the Act and violating the FCC rules in its present territory with regard to the interconnection rights of paging carriers, it is proper that the Commission condition the SBC-Ameritech merger upon SBC's immediately ceasing its illegal conduct and granting to paging carriers the interconnection rights to which they are lawfully entitled.

POLICY ISSUE: This merger proceeding, in which SBC seeks to expand its presence into new markets, is an appropriate forum in which to reaffirm that the merged entity must comply with its interconnection obligations toward all telecommunications carriers, regardless of technology.

BUSINESS ISSUES: SBC has not approached paging interconnection with good faith. SBC disagrees with the Commission's rules that require it to deliver its local traffic to paging carriers without charge and therefore it asserts that it does not have to comply. Paging carriers are unable to reach reasonable interconnection agreements with SBC because of its unlawful insistence that paging carriers give up their right to any terminating compensation as a condition to reaching agreement.

CONSUMER ISSUES: SBC's interconnection agreements with other wireless carriers, such as those owned by SBC, do provide for termination compensation to the wireless carrier, regardless of whether the call is a voice call or a short messaging call identical to those terminated by any other paging carrier. This has resulted in an unlevel playing field and thereby denies wireless consumers the benefits of a fully and freely competitive market.

RECOMMENDATION/RELIEF SOUGHT: The Commission should condition the SBC-Ameritech merger on SBC's immediate commitment to: (i) cease charging facilities charges to paging carriers; (ii) compensate paging carriers for termination of the paging carriers' local traffic; (iii) enter into good faith interconnection negotiations with paging carriers; and (iv) promise prospectively to abide by the FCC's rules regarding LEC-paging interconnection.